

R&D in Steel Industry is the Need of the Hour - Steel Minister

Addressing the inaugural session of 8th India Steel Summit organized by ASSOCHAM in the national capital, Union Minister of Steel & Mines Shri Narendra Singh Tomar underscored the importance of sprucing up Research & Development (R&D) work in the iron and steel industry. “Better R&D means better resource utilization, better cost efficiency, better products and world-class exports,” he averred. Shri Tomar informed the gathering that the ministry has taken a decision to set up a forum for Research & Development in steel sector with proposed initial corpus of Rs 100 crore from Steel Development Fund (SDF).

Expressing concern over the shortage of iron ore for several domestic producers, Shri Tomar said, “Iron ore production has fallen from the level of 218 million tonne (MT) to around 150 MT owing to various reasons. In line with the recommendations of Supreme Court and the Shah Commission, we have



revised mining guidelines in the country to make the process more transparent and efficient.” Shri Tomar also stressed upon the need to benefit raw materials to optimize natural resources.

Comparing India's per capita average consumption of steel at 60 kg with the global average of 215 kg, Shri Tomar expressed confidence in the growth potential of domestic steel industry, despite tough market conditions. He urged steelmakers to take a holistic view of this industry, considering the

employment potential inherent in it, owing to forward and backward linkages.

It is noteworthy that on October 20, 2014, the Minister had accorded in-principle approval for setting up Steel Research & Technology Mission of India (SRTMI), in line with the Prime Minister's vision 'Make in India'. The mission envisages to increase R&D investment from the present level of 0.2-0.3 % of turnover to international benchmark of 1-2 % of turnover by the leading companies.

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Tata Steel to Invest Rs 20 Cr in Wind Resistant Ferrochrome Plant

As a measure to enable the unit to withstand wind speed of 250-300 km per hour, Tata Steel would incur an additional investment of Rs 20 crore towards construction of its proposed ferrochrome plant near Gopalpur. “We have decided to invest Rs 20 crore more to make the ferrochrome plant's construction stronger so that it can endure wind speed of up to 300 km per hour”, said Arun Misra, vice president of Tata Steel's Gopalpur project.

The Gopalpur area, off Ganajm coast in southern Odisha, is identified as a cyclone prone zone.

Phailin, the very severe cyclonic storm made landfall near Gopalpur on October 12, 2013. Exactly a year later, another severe cyclonic storm, Hudhud struck the coast of Andhra Pradesh near Visakhapatnam and also affected Gopalpur. Phailin, whose wind speed was in the range of 200-220 km at the time of landfall, caused large scale damage to infrastructure in Ganjam district.

The Gopalpur port, Odisha Sands Complex (OSCOM), a unit of the central sector, Indian Rare Earths (IRE) Ltd and caustic soda producing unit, Jayashree Chemicals, located near the sea-shore town had suffered huge damages due to Phailin.

“Keeping in view the successive cyclones that have hit the area, we have designed the plant to withstand high wind-speed”, Misra said. The steel major planned to develop the multi-product special economic zone (SEZ) along with an industrial park on around 2970 acres of land near Gopalpur, which was originally acquired in 1996 to build a steel plant.

Singapore-based Jurong Consultants, a consultancy firm, is preparing the master plan for the SEZ project. As an anchor investor, Tata Steel has decided to set up two



ferrochrome plants within the proposed industrial park. Construction work on the 55,000 tonne per annum ferrochrome unit is going on, and it is expected to start operation in March 2015.

The other plant with 240,000 tonne per annum capacity would be taken up after getting the environment clearance from the central government, Misra said. The company would invest around Rs 1200 crore on both the plants.